

120001249

Instrument prepared by:

VIRGINIA GAS AND OIL BOARD

Order recorded under:

**CODE OF VIRGINIA
§ 45.1-361.26**

BEFORE THE VIRGINIA GAS AND OIL BOARD

RELIEF SOUGHT: An Order for Disbursement of Escrowed Funds

JURISDICTION: *Code of Virginia* § 45.1-351. (et seq) AND § 45.1-361.22 (et seq)

UNIT/WELL NAME: S-14
TRACT(S): Tract 1
LOCATION: Buchanan County, Virginia

DOCKET NUMBER: VGOB-92-0317-0196-01

APPLICANTS: CNX Production Company on behalf of Harrison-Wyatt, LLC and CNX Gas Company, LLC

HEARING DATE AND LOCATION: Russell County Government Center, Lebanon, Virginia
November 15, 2011

APPEARANCES: Mark Swartz on behalf of CNX, Sharon Pigeon, Sr. Assistant Attorney General representing the Virginia Gas and Oil Board

PRIOR PROCEEDINGS:

1. Original Pooling Order Executed 906/03/1992, Recorded 10/29/93, Deed Book 392
2. Supplemental Order Executed 10/20/93, Recorded 10/29/93, Deed Book

NOTICE:

The Unit Operator gave notice to the Applicants that the Board would consider its disbursement petition at the November 11, 2011 hearing and consider whether to:

- (1) Amend the Pooling Order to provide for the disbursement of funds on deposit in the Escrow Account attributable to Tract 1 identified in the attached miscellaneous petition.
- (2) Delete the requirement that the Unit Operator place future royalties attributable to Tracts 1 relative to the interests of the Applicants identified in the attached miscellaneous petition.
- (3) Continue the escrow account under this docket number.

FINDINGS: *Code of Virginia* § 45.1-361.22

Applicant has certified and represented to the Board that:

1. The owner of the coal estate for Tract 1 is Harrison-Wyatt LLC for the subject drilling unit.
2. The owner of the gas estate for Tract 1 is CNX Gas Company LLC for the subject drilling unit.

3. The aforementioned owners have entered into a royalty split agreement consisting of (50/50) as referenced in the attached miscellaneous petition, and as shown in Table 1.

RELIEF GRANTED:

VG08 Approved Disbursement
VG08-92-0317-0196-01
\$14

Table 1
Tract 1

Item	Tract	Disbursement Table	Fractional Ownership in Tract	Net Acreage Ownership in Tract	Royalty Split Agreement	Escrowed Acres Disbursed	Percent of Escrowed Funds Disbursed
		Total acreage in escrow before disbursement				35.1200	
	1	Tract 1 Total Acreage	11.19				
1		Hansen Wyatt, LLC (coal) P. O. Box 11000, Danville, VA 24543		11.1900	50.0%	\$ 5,9950	15.9311%
2	1	CHX Gas Company LLC (Oil and Gas) 2381 John Nash Blvd., Bluefield, WV 26001		11.1900	50.0%	\$ 5,9950	15.9311%

1. The Escrow Agent is ordered, to within ten (10) days of receipt of this executed order, disburse funds for the unit and applicants detailed in Table 1.

2. The Escrow Agent is ordered to continue the Escrow Account for the subject drilling unit based on the attached Revised Exhibit E which replaces all prior Exhibit E's recorded for the Subject Drilling Unit.

CONCLUSION:

Therefore, the requested relief and all terms and provisions set forth above be and hereby are granted and IT IS SO ORDERED.


APPEALS:

Appeals of this Order are governed by the provisions of the *Code of Virginia* § 45.1-361.9 which provides that any order or decision of the Board may be appealed to the appropriate circuit court and that whenever a coal owner, coal operator, gas owner, gas operator, or operator of a gas storage field certificated by the State Corporation Commission is a party in such action, the court shall hear such appeal de novo.


Effective Date:

This Order shall be effective on the date of its execution.

DONE AND EXECUTED this 31 day of May, 2012, by a majority of the Virginia Gas and Oil Board.



Bradley C. Lambert, Chairman
Virginia Gas and Oil Board

DONE AND PERFORMED this 31ST day of May, 2012 BY Order of the Virginia Gas and Oil Board.

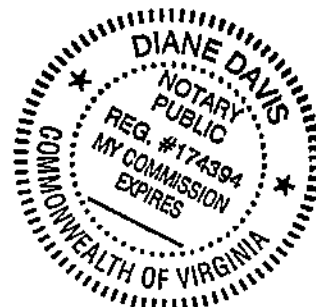

Rick Cooper, Principal Executive to the Staff
Virginia Gas and Oil Board

COMMONWEALTH OF VIRGINIA
COUNTY OF RUSSELL)

Acknowledged on this 31 day of May, 2012, personally before me a notary public in and for the Commonwealth of Virginia, appeared Bradley C. Lambert, being duly sworn did depose and say that he is the Chairman of the Virginia Gas and Oil Board and Rick Cooper, being duly sworn did depose and say that he is Acting Principal Executive to the Staff of the Virginia Gas and Oil Board, that they executed the same and were authorized to do so.


Diane J. Davis, Notary Public #174394

My commission expire: 09/30/2013



BEFORE THE VIRGINIA GAS AND OIL BOARD

PETITIONER: CNX Gas Company LLC

DIVISION OF GAS AND OIL
DOCKET NO: VGOB 92-0317-0196-01

RELIEF SOUGHT: (1) DISBURSEMENT FROM
ESCROW REGARDING TRACT(S) 1
(Royalties currently being paid under
VP8SGU2, VGOB 97-0617-0587)

HEARING DATE: November 15, 2011

DRILLING UNIT: S-14

BUCHANAN COUNTY, VIRGINIA

MISCELLANEOUS PETITION

1. Petitioner and its counsel: Petitioner is CNX Gas Company LLC, 2481 John Nash Boulevard, Bluefield, West Virginia 24701, 304/323-6500. Petitioner's counsel is Mark A. Swartz, **SWARTZ LAW OFFICES, PLLC.**, 601 Sixth Avenue, Suite 201, P.O. Box 1808, St. Albans, WV 25177-1808.

2. Relief sought: (1) the disbursement of escrowed funds heretofore deposited with the Board's Escrow Agent(s) attributable to Tract(s) 1 as depicted upon the annexed Exhibit A-1; (Royalties currently being paid under VP8SGU2, VGOB 97-0617-0587)

3. Legal Authority: Va. Code Ann. § 45.1-361.1 et seq., 4 VAC 25-160-140., and relevant Virginia Gas and Oil Board Orders ("Board") heretofore promulgated pursuant to law.

4. Type of well(s): Coalbed methane.

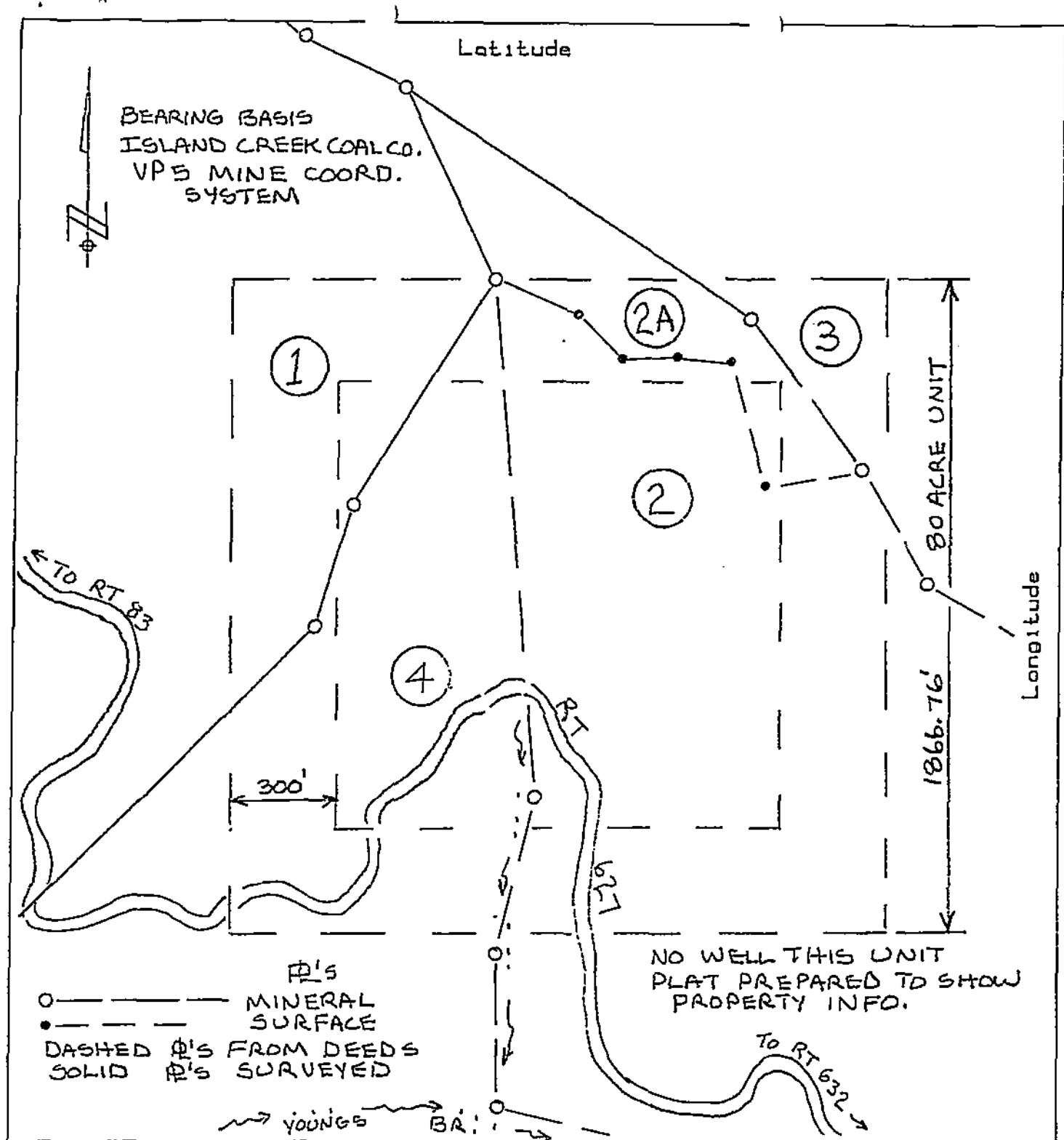
5. Factual basis for relief requested: Harrison-Wyatt, LLC and CNX Gas Company LLC have entered into a 50/50 CBM deed. Said deed allows the Applicant and Designated Operator to pay royalties directly to the persons identified in Exhibit EE annexed hereto and the annexed Exhibit A-1, further, specifies how said royalties are to be divided and paid.

6. Attestation: The foregoing Petition to the best of my knowledge, information, and belief is true and correct.

CNX GAS COMPANY LLC
BY ITS PROFESSIONAL MANAGER
CNX GAS COMPANY LLC, PETITIONER

By: 

Anita D. Duty
Pooling Supervisor
CNX Land Resources, Inc.
2481 John Nash Blvd.
Bluefield, West Virginia 24701



WELL LOCATION PLAT

Company OXY USA INC Well Name and Number UNIT 514
 Tract No. N/A Elevation N/A Quadrangle VANSANT
 County BUCHANAN District S. GRUNDY / GARDEN Scale: 1" = 400' Date 02-24-92
 This Plat is a new plot ☒; an updated plot ☐; or a final location plat ☐
 Denotes the location of a well on United States topographic Maps, scale 1" = 24,000, latitude and longitude lines being represented by border lines as shown.
D. R. PRICE
 Licensed Professional Engineer or Licensed Land Surveyor

(Affix Seal)

D. R. PRICE
 LICENSE No.
 3540

2/4/92

OXY USA INC.

Well Plat Legend
Property and Lease Information
Well Unit -- S14

1. Surface, Oil & Gas ----- Raymond Street & Gerald McClanahan
Coal ----- Big Axe Tract No 1
Wayles R. Harrison and Landon R.
Wyatt, Jr., Trustees
Oil & Gas Lessee ----- Unleased
Coal Lessee ----- Island Creek Coal Co.
Jewell Smokless Coal Corp.
Coalbed Methane Lessee -- OXY USA INC

1 = 11.19 Acres - 13.99% of Unit

2. Surface ----- Thelma Sizemore
Coal, Oil & Gas ----- Big Axe Tract No 3
Wayles R. Harrison and Landon R.
Wyatt, Jr., Trustees
Oil & Gas Lessee ----- OXY USA INC
Coal Lessee ----- Island Creek Coal Co.
Jewell Smokless Coal Corp.
Coalbed Methane Lessee -- OXY USA INC

- 2A. Surface ----- Garden Realty Corp.
Coal, Oil & Gas ----- Big Axe Tract No 3
Wayles R. Harrison and Landon R.
Wyatt, Jr., Trustees
Oil & Gas Lessee ----- OXY USA INC
Coal Lessee ----- Island Creek Coal Co.
Jewell Smokless Coal Corp.
Coalbed Methane Lessee -- OXY USA INC

2 & 2A = 41.40 Acres - 51.74% of Unit

(Continued next page)

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OXY USA INC
Well Unit S14
Well Plat Legend
Page 2

3. Surface ----- Garden Realty Corp.
Coal, Oil & Gas ----- Yukon Pocahontas Coal Co., ET. AL.
Big Vein TR 128
%Georgia Pacific Corp.
Oil & Gas Lessee ----- Cabot Oil & Gas Corp.
Coal Lessee ----- Island Creek Coal Co.
Jewell Smokless Coal Corp.
Coalbed Methane Lessee -- OXY USA INC

3 = 3.48 Acres -- 4.35% of Unit

4. Surface ----- B. F. McGlothlin Heirs
Coal, Oil & Gas ----- Big Axe Tract No 8
Wayles R. Harrison and Landon R.
Wyatt, Jr., Trustees
Oil & Gas Lessee ----- OXY USA INC
Coal Lessee ----- Island Creek Coal Co.
Jewell Smokless Coal Corp.
Coalbed Methane Lessee -- OXY USA INC

4 = 23.93 Acres - 29.92% of Unit

Exhibit E
Unit S-14
Docket # VGOB-92-0317-0196-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
<u>Tract #4 - 23.93 acres</u>		
<u>COAL OWNERSHIP</u>		
(1) Harrison-Wyatt LLC, Tr 1 PO Box 11000 Danville, VA 24543	23.93 acres	29.9125%
<u>OIL & GAS OWNERSHIP</u>		
(1) Harrison-Wyatt LLC, Tr 1 PO Box 11000 Danville, VA 24543	23.93 acres	29.9125%
(Surface Owner - CBM Claimant)		
B.F. McGlothlin Heirs, Devisees, Successors or Assigns	23.93 acres	29.9125%
(1) E.P. McGlothlin Heirs, Devisees, Successors or Assigns		
(a) Bennie McGlothlin Heirs, Devisees, Successors or Assigns		
(a.1) Shauna Condry 897 New Beasonwell Road, Apt. 2107 Kingsport, TN 37660	0.242 acres 1/99 of 23.93 acres	0.3021%
(a.2) Jon McGlothlin 1605 Seaver Road Kingsport, TN 37660	0.242 acres 1/99 of 23.93 acres	0.3021%
(a.3) Logan McGlothlin 224 Legion Street Weber City, VA 24290	0.242 acres 1/99 of 23.93 acres	0.3021%
(b) Bonnie McGlothlin 2267 Roberts Creek Rd. Hiltons, VA 24258	0.725 acres 1/33 of 23.93 acres	0.9064%
(c) Ralph Edward McGlothlin 94 Collins Crest Cedar Bluff, VA 24609	0.725 acres 1/33 of 23.93 acres	0.9064%
(2) H.L. McGlothlin Heirs, Devisees, Successors or Assigns		
(a) Robert D. McGlothlin Heirs, Devisees, Successors or Assigns		
(a.1) Patricia S. McGlothlin 6293 Wildemess Road Dublin, VA 24084	1.088 acres 1/22 of 23.93 acres	1.3597%
(a.2) Harold McGlothlin Heirs, Devisees, Successors or Assigns		
(a.2.1) Ruby B. McGlothlin Heirs, Devisees, Successors or Assigns		

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Exhibit E
Unit S-14
Docket # VGOB-92-0317-0196-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
(a.2.1.1) Ann Lilly 16540 Heron Coach Way #4 Fort Myers, FL 33908	1.088 acres 1/22 of 23.93 acres	1.3597%
(3) Helen E. Counts 1334 Augusta Street Bluefield, WV 24701	2.175 acres 1/11 of 23.93 acres	2.7193%
(4) B.F. McGlothlin Heirs, Devisees, Successors or Assigns		
(a) Joseph Blair McGlothlin P. O. Box 71 Cedar Bluff, VA 24609	1.088 acres 1/22 of 23.93 acres	1.3597%
(b) Katherine M. & John Warren 2208 Wingfield Road Charlottesville, VA 22901	1.088 acres 1/22 of 23.93 acres	1.3597%
(5) Nannie P. Lockhart Heirs, Devisees, Successors or Assigns		
(a) Violet Doris Smith 9625 Alfaree Rd. Richmond, VA 23237	1.088 acres 1/22 of 23.93 acres	1.3597%
(b) Fred Presley 6814 Pounding Mill Branch Rd. Pounding Mill, VA 24637	1.088 acres 1/22 of 23.93 acres	1.3597%
(6) J.S. McGlothlin Heirs, Devisees, Successors or Assigns		
(a) Donald S. McGlothlin Sr. Heirs, Devisees, Successors or Assigns		
(a.1) Mary McGlothlin P.O. Box 909 Grundy, VA 24614	0.725 acres 1/33 of 23.93 acres	0.9064%
(b) Billy Sue Dixon Heirs, Devisees, Successors or Assigns		
(b.1) Hobart Dixon 14121 Heather Rd. Bristol, VA 24202	0.725 acres 1/33 of 23.93 acres	0.9064%
(c) Peggy & Henry Durham 607 S. Westland Ave. Tampa, FL 33606	0.725 acres 1/33 of 23.93 acres	0.9064%
(7) Rose Myrtle Wampler Heirs, Devisees, Successors or Assigns		
(a) Sherry W. Bennett 155 Mountain Ave Rocky Mount, VA 24151	0.725 acres 1/33 of 23.93 acres	0.9064%

Exhibit E
Unit S-14
Docket # VGOB-92-0317-0196-01
List of Conflicting Owners/Claimants that require escrow

	Acres in Unit	Percent of Unit
(b) Pauline W. Shortridge 9217 Brentsville Road Manassas, VA 20112	0.725 acres 1/33 of 23.93 acres	0.9064%
(c) F.E. Wampler 22784 Osprey Ridge Road Bristol, VA 24202	0.725 acres 1/33 of 23.93 acres	0.9064%
(8) Woodrow McGlothlin Heirs, Devisees, Successors or Assigns		
(a) Trustee Woodrow McGlothlin Trust c/o Thomas D. McGlothlin, Executor 1005 Glenway Avenue Bristol, VA 24201	2.175 acres 1/11 of 23.93 acres	2.7193%
(9) John W. McGlothlin Heirs, Devisees, Successors or Assigns		
(a) Francis Ann Borkey 9608 Gaslight Place Richmond, VA 23229	0.311 acres 1/77 of 23.93 acres	0.3885%
(b) James Lloyd McGlothlin 998 Glenwood Street Cedar Bluff, VA 24609	0.311 acres 1/77 of 23.93 acres	0.3885%
(c) Una Lee Mulligan Bailey Box 51 Richlands, VA 24641	0.311 acres 1/77 of 23.93 acres	0.3885%
(d) Cecil Earl McGlothlin Heirs, Devisees, Successors or Assigns		
(d.1) McGlothlin Living Trust Joyce McGlothlin, Trustee PO Box 2417 Cookeville, TN 38502	0.311 acres 1/77 of 23.93 acres	0.3885%
(e) Norman L. McGlothlin 6239 Oakleaf Lane N. Fayetteville, PA 17222	0.311 acres 1/77 of 23.93 acres	0.3885%
(f) Ernest McGlothlin Heirs, Devisees, Successors or Assigns		
(f.1) Doris Ann McGlothlin P. O. Box 428 Raven, VA 24639	0.622 acres 2/77 of 23.93 acres	0.7769%
(g) Harvey G. McGlothlin Heirs, Devisees, Successors or Assigns		
(g.1) Dorothy Mullins Heirs, Devisees, Successors or Assigns		
(g.1.1) Ann Mullins Washburn 3343 Nottingham Drive Tallahassee, FL 32312	0.363 acres 1/66 of 23.93 acres	0.4532%

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Exhibit E
Unit S-14
Docket # VGOB-92-0317-0196-01
List of Conflicting Owners/Claimants that require escrow

		Acres in Unit	Percent of Unit
(g.1.2)	Michael M. Mullins 1445 Westerly Terrace Los Angeles, CA 90026	0.363 acres 1/66 of 23.93 acres	0.4532%
(g.2)	Charles Robert Dixon Heirs, Devisees, Successors or Assigns		
(g.2.1)	Charleen Dixon Seale 2653 Suffolk St. Kingsport, TN 37660	0.725 acres 1/33 of 23.93 acres	0.9064%
(g.3)	Gladys Jessee 413 North Street Richlands, VA 24641	0.725 acres 1/33 of 23.93 acres	0.9064%
(h)	Frankie Mae Street Heirs, Devisees, Successors or Assigns (1/11)		
(h.1)	W.A. Street Heirs Trust (1/11)		
(h.1.1)	W.A. Street Heirs Trust c/o Hiram A. Street 4601 Gulf Shore Blvd., North Enclave No. 10 Naples, FL 33910	0.544 acres 1/44 of 23.93 acres	0.6798%
(h.1.2)	W.A. Street Heirs Trust c/o Nicholas D. Street 101 Lick Branch Rd. Bristol, TN 37620	0.544 acres 1/44 of 23.93 acres	0.6798%
(h.1.3)	W.A. Street Heirs Trust c/o James H. Street PO Box 2100 Grundy, VA 24614	0.544 acres 1/44 of 23.93 acres	0.6798%
(h.1.4)	W.A. Street Heirs Trust c/o Daniel Street PO Box 2100 Grundy, VA 24614	0.544 acres 1/44 of 23.93 acres	0.6798%

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Exhibit EE
Unit S-14
Docket # VGOB-92-0317-0196-01
List of Conflicting Owners/Claimants with Royalty Split Agreements

	Acres in Unit	Percent of Unit	Percent of Escrow
<u>Tract #1 - 11.19 acres</u>			
<u>COAL OWNERSHIP</u>			
(1) Hamison-Wyatt LLC, Tr 1 PO Box 11000 Danville, VA 24543	11.19 acres	13.9875%	15.9311%
<u>OIL & GAS OWNERSHIP</u>			
(1) CNX Gas Company 2481 John Nash Blvd. Bluefield, WV 24701 (previously Buchanan Production Co.)	11.19 acres	13.9875%	15.9311%

Exhibit A-1
Tract-by-Tract Escrow Calculation
Account Balances as of 8/31/2011

Unit S14
Docket VGOB# 92-0317-0196-01
Acres Escrowed: 35.12

Owners	Tract #	Acres	Owners' Percent of Escrow	Amount Due Owners \$54,377.75
Harrison-Wyatt, L.L.C. - Coal	1	11.19	15.9311%	\$8,662.97
CNX Gas Company LLC - O&G			15.9311%	\$8,662.97

Wells contributing to the escrow account:

S14A & S14B

INSTRUMENT #120001249
RECORDED IN THE CLERK'S OFFICE OF
BUCHANAN COUNTY ON
JUNE 25, 2012 AT 01:25PM
BEVERLY S. TILLER, CLERK
RECORDED BY: GGB